

**DISTRICT COURT OF THE VIRGIN ISLANDS
DIVISION OF ST. CROIX**

UNITED STATES OF AMERICA and)	
THE UNITED STATES VIRGIN ISLANDS,)	
)	
Plaintiffs,)	
)	
v.)	1:11-cv-00006-RAM-EAH
)	
HOVENSA, LLC, LIMETREE BAY REFINING, LLC,)	
LIMETREE BAY TERMINALS, LLC, ET AL.)	
)	
Defendants.)	
)	

NOTICE OF CASE STATUS

Pursuant to the Order of April 22, 2024 (Doc. 100), the United States Virgin Islands (“Virgin Islands”) hereby submits this notice regarding the status of the case.

This case is based on a Complaint first jointly filed by the United States of America (“United States”) and the Virgin Islands on January 26, 2011 against HOVENSA L.L.C. (“HOVENSA”). (Doc. 1.) The Complaint alleged violations of Section 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b), and the Virgin Islands Air Pollution Control Act, 12 V.I.C. § 201, at HOVENSA’s petroleum refinery located in St. Croix, U.S.V.I.

On June 7, 2011, the Court entered an Order approving a Consent Decree resolving claims by the United States and Virgin Islands. (Doc. 6.) In this Consent Decree, HOVENSA agreed to implement various programs and controls at the refinery with the goal of reducing environmental emissions. HOVENSA temporarily ceased operations at the refinery portion of the facility starting in 2012, after which HOVENSA only operated the terminal portion of the

facility.

In September 2015, HOVENSA filed for bankruptcy under Chapter 11 of Title 11 of the United States Code. On January 4, 2016, Limetree Bay Terminals, LLC (“LBT”) purchased the facility out of HOVENSA’s bankruptcy proceedings and agreed to enter into a modification of the Consent Decree. Limetree Bay Refining, LLC (“LBR”) was subsequently formed to own and operate the refinery assets, while LBT owned and operated the terminal assets.

After years of negotiations, on August 25, 2020, the United States lodged a Proposed First Modification of the Consent Decree. (Doc. 12.) This modified several of the Consent Decree’s injunctive relief requirements and related deadlines for implementation. The United States filed a Motion to Enter the First Modification of the Consent Decree on April 26, 2021. (Doc. 19.) On December 30, 2021, the Court entered the First Modification of the Consent Decree that transferred the compliance obligations to LBT and LBR. (Doc. 42.)

LBR resumed operations at the refinery portion of the facility in the fall of 2020. LBR’s operations subsequently resulted in a series of significant air emissions events. The United States Environmental Protection Agency (“EPA”) determined that the refinery’s operations constituted an imminent and substantial endangerment to public health and welfare. It issued an administrative order pursuant to Section 303 of the Clean Air Act, 42 U.S.C. § 7603. This required the refinery to temporarily cease operations.

On June 12, 2021, the United States filed a separate complaint under Section 303 of the Clean Air Act against LBT and LBR in the District Court of the United States Virgin Islands. (Case No. 1:12-cv-00264, ECF 1). On that same day, LBR and related entities filed for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas.

On January 21, 2022, Port Hamilton Refining and Transportation, LLLP (“PHRT”) and West Indies Petroleum Limited (“WIPL”) purchased the refinery assets out of LBR’s bankruptcy proceedings.

On July 28, 2023, the United States filed a motion for an order substituting WIPL, PHRT, and a transition refinery entity as party defendants for Defendant LBR in the Consent Decree. (Doc. 67.) On September 21, 2023, the Court granted the United States’s Motion to Substitute Party. (Doc. 81.) In October 2023, WIPL and PHRT filed Notices of Objection to the Magistrate Judge Order. (Docs. 86, 88.) These objections have been briefed, and the Court has not yet ruled on them.

On March 29, 2024, PHRT filed a Motion to Clarify the Consent Decree. (Doc. 96.) This motion seeks an order from the Court stating how certain provisions of the First Modification of the Consent Decree now apply to the refinery. This motion has been briefed, and the Court has not yet ruled on it.

Respectfully submitted,

May 2, 2024

FOR THE UNITED STATES VIRGIN ISLANDS

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CERTIFICATE OF SERVICE

I CERTIFY that I filed this document using the Court's CM/ECF System, which will send notice of the filing to all counsel of record.

May 2, 2024

/s/ David A. Bornn
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